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African Venture of China: Déjà Vu? or The Soft Power of Words

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Abstract

China has experienced rapid development in many different spheres, related to industrialisation, urbanisation, economic growth, finances, and a new strategy of foreign investment. During the past decade, Chinese direct investments in Sub-Saharan Africa have not only increased, but also played a crucial role within the hosting countries. International institutions repeatedly report on the considerable progress of African nations towards achieving the Millennium Development Goals, despite challenging initial conditions. Chinese presence in the African hosting economies influences the inner processes and the way these goals could be achieved. There are different opinions on the future consequences of Chinese involvement in Africa. Some view the Chinese policy of non-interference and lack of preconditions for credit lines given to Africa as an effective model for cooperation with emerging markets and developing societies. Some critically predict the growing dependence on such an investor and are deeply unsatisfied with Chinese practices of winning tenders, treating employees and the environment. However, there is no univocal conclusion, whether these consequences could be doubtlessly defined as negative or positive.

Keywords: China, Africa, Soft Power, Development, Environment

Introduction

International institutions, such as the United Nations, the International Monetary Fund and the World Bank, repeatedly report on the considerable progress of African nations towards achieving the Millennium Development Goals, despite challenging initial conditions (UNDP MDG Report, 2015). After the "lost decades" of permanent civil war and humanitarian crises, where Africa shared in only around one percent of global trade, the African continent has staged a comeback towards the end of the 20th century. Supported by Pan-Africanists such as Kofi Annan and Thabo Mbeki, as well as other leading world politicians, Africa reinforced itself through development aid and debt cancellations. Changes on the global economic stage, such as the growth of emerging economies and the rise of commodity prices coupled with improved macroeconomic management across much of Africa made the continent attractive to foreign investments and domestic entrepreneurs (Verhoeven, 2014).

International discourse leads a broadened discussion on Chinese investment policy in Africa and its tendency to influence local processes. There are examples of referring to Chinese expansion as neo-colonialism, such as the research of Antwi-Boateng, which feels sort of déjà vu (Antwi-Boateng, 2017). The World Bank, for instance, sees Chinese activities in Africa as the People's Republic of China's (PRC)'s need to guarantee resources to its growing economy (Foster et al, 2008). However, the analysis of Chinese investment strategy should involve more aspects due to its complexity. This article deals with the concept of "soft power China", which is expressed through the principle of "non-interference" and gives room for manoeuvre for a Chinese investor in Sub-Saharan Africa. This aspect allows a different interpretation of the Chinese involvement in the Sub-Saharan region and confronts the claim of Chinese neo-colonialism in the continent. Chinese investment in the African countries is an example of the PRC's attempt to challenge the global order with new patterns of bilateral and multilateral cooperation. The following sections will introduce the importance of a new paradigm, the Chinese "non-interference", and its implementation in investment activities in the Sub-Saharan market.

China-Africa Relations

Being widely supported by international institutions, African countries are connected to an impressive number of UN and regional initiatives. Within the broad framework of the South-South cooperation, for example, countries of the South including the southern states of the African continent are collaborating in the political, economic, social, cultural, environmental and technical domains. Initiated by developing countries themselves, this collaboration embraces public and private sector institutions, non-governmental organizations and individuals to bring mutual development and benefits.[1] The People's Republic of China (PRC) and the countries of the Sub-Saharan region are also members of the South-South partnership and are in the process of strengthening ties in all directions.

Over the past three decades, rapid economic growth in China caused an unprecedented need for new resources. The Chinese economy searched for long-term energy suppliers to support the industrialisation processes. This necessity caused the PRC to turn to Africa as a potential supplier of energy and materials. Through growing investments in this region, China has helped many countries and their industries to develop (Alessi and Xu, 2015). China acts in its own way rather than copying the Western model of aid packages or investment patterns. However, there are different opinions on the future consequences of Chinese involvement in Africa. Madouka Koumou and Manyi claim that Chinese policy of non-interference and lack of preconditions for credit lines given to Africa are effective models for cooperation with emerging markets. The Sino-African relations have opened the Sub-Saharan region to global trade and gave African countries a "new status of modernity" (Madouka-Koumou and Manyi, 2016). Ademola critically predicts the growing dependence on such an investor and is concerned that negative effects may outweigh the positive ones related to industrial and economic development (Ademola et al, 2009). Chinese involvement in African economies does not necessarily mean social and governmental changes as it tends to be prescribed in similar engagements with Western powers. Contrary to Western donors, Chinese cooperation with African governments does not hinge on conditions pertaining to specific political objectives or standards, such as stronger protection of human rights and democracy (Tull, 2006).

The beginning of China's latest engagement with the African continent started with the visit of the PRC's former President Jiang Zemin in 1996. It was the first official contact since Mao's support of the independence movements across the continent in 1960. Until 1996, no Chinese official had visited the continent since the trade between Africa and the Ming dynasty in the first half of the 15th century (Sparks, 2011). Nevertheless, China's engagement with Africa is long-standing. By the 20th century there were already significant communities of Asians in certain parts of Africa. There have been high levels of Chinese immigration to South Africa, Madagascar and Mauritius. In these three countries, most of the Chinese immigrants entered the manufacturing sector (Braeutigam, 2003). Many Chinese entrepreneurs have maintained contacts with their homeland and continued to develop strong business networks. According to different researchers, at the beginning of the previous century, a big part of the starting capital in Chinese enterprises came from families left in the homeland or from personal savings (Ibid). From the second part of the 20th century and till the middle of 1990s, ethnic Chinese business networks continued only through Hong-Kong and Taiwanese entrepreneurs, and there is no data about similar connections with the mainland (Ibid).

In the 1990s, African economic programmes led to market development, taking a favourable turn with the resultant opportunities for Chinese commerce. African states took measures to push forward privatisation and to open international trade; however, it needed reforms for bilateral and multilateral trade agreements (Taylor, 2010). Beijing sought to take advantage of these developments and hasten its entrance into free niches. Chinese producers hoped that the existing circumstances of low development relative to Western countries would render the African market more receptive to inexpensive Chinese-manufactured products (Ibid).

Starting from the late 1950s, the PRC launched campaigns promoting anti-colonialism and providing ideological and financial support (Hanauer and Morris, 2014). The official relationships were based on the principles of "equality, mutual interest and non-interference."[2] The 11th Party Congress of the Chinese Communist Party in 1978 changed the direction of previous Chinese aid packages. China's new focus was on its internal economic reforms. Significant Chinese economic growth in the late 1990s has enabled stated-owned enterprises to start looking for investment opportunities abroad. The Sub-Saharan countries have become the targets of the new "go global" foreign direct investment policy.[3] The official white paper on China's African Policy 2006 has maintained the "principles of peaceful co-existence", broadly known as Chinese principles for international relations.[4] These principles have not lost their relevance in the Chinese political discourse during the last six decades.

Chinese policymakers perceive China's role in Africa as promoting principles of mutual respect and benefit with "all-around" cooperation.[5] Chinese discourse regarding the relations with Africa includes not only "win-win" opportunities, but also the claim that Chinese involvement in the African market is based on trade interests and excludes "neo-colonial" trends. The Chinese ambassador to South Africa in 2012, Tian Xuejun, stressed the historical background of Chinese-African relations in the 15th century, mentioning that China was not following the colonial trend and unlike Western countries, was interested only in trade relationships with Africa.[6]

Economic transactions data provides the most powerful evidence of China's increasing interests in the African continent. Between 1989 and 1997, the volume of bilateral trade grew by 430% and since then has more than quintupled. In 2004, 63% of China's extra-regional trade was stated as trade with Sub-Saharan countries (Tull, 2006). In 2005, China overtook the UK as Africa's third most important trade partner after the United States and France. In the institutional sphere, initiatives were launched, promoting strong China-Africa partnerships, such as the China-Africa Cooperation in 2000 and Chinese-African Chamber of Commerce, which opened in Beijing in 2005. The institutions serve to promote bilateral trade and investment agreements between the sides. Eighteen of 40 bilateral investment deals entered into by China between 1995 and 2003 had been with African countries. By 2005, the PRC had agreed on investments with 75% of the continent (Tull, 2006).

From 2000 to 2008, China's trade with Africa jumped from US$11 billion to about US$69 billion (Makarvin and Shariff, 2009). Furthermore, according to a white paper on China-Africa Economic and Trade Cooperation published by China's State Council in 2013, China's FDI in Africa grew at an annual rate of 20.5% between 2009 and 2012. The paper stated that cumulative FDI to Africa amounted to US$21.23 billion by 2012, mostly in the energy and mineral resources sectors, with construction contracts worth US$40.83 billion in the continent. Additionally, China approved concessional loans worth a total of US$113 billion for 92 African projects (Brown, 2014). This shows the growing importance of Africa as a destination for Chinese foreign direct investments. Data collected by Dereck Scissors, former researcher of the Heritage Foundation and now of the American Enterprise Institute (AEI), points out the high peak of Chinese investment contracts with Sub-Saharan Africa, including M&A, construction contracts and transactions worth US$100 million or more, but not actual disbursements in 2013. The dataset shows more than US$19.49 billion of investments (Brown, 2014).

Constantly growing Chinese interest in Africa is one of the most important developments for the continent since the end of the Cold War. China is Africa's second largest bilateral trading partner after the United States

(Taylor, 2010). While the West, particularly the US, was preoccupied with economic crisis, wars in Iraq and Afghanistan and the battle with Islamic terrorism, China opened itself towards resources-rich Africa. China's main motivation for investing in Africa has consistently been to secure energy and other resources for its growing economy. Chinese businessmen seem to consider the challenging political and economic environment in Africa as an economic opportunity. Thanks to the willingness to take risks, Chinese companies could derive huge profits from rates of return on foreign direct investment, said to be much higher in politically volatile sub-Saharan Africa than in other parts of the developing world (Tull, 2006).

In parallel, the PRC uses Africa's growing market for its manufactured goods (Makarvin and Shariff, 2009). In return for supplying resources, Africa receives a wide range of Chinese-made goods, from textile and kitchen utensils to radios and from bicycles to military arms (Makarvin and Shariff, 2009). Due firstly to China's large and cheap labour force, and secondly to the acute poverty in vast parts of Africa, China offers low-price export goods, which are highly demanded in the region. In 2003, China was the second largest exporter of goods (11%) to the members of the Economic Community of West African States (Tull, 2006).

Beijing's role in the rise of the African continent has been pivotal. On one hand, China has imported unprecedented amounts of oil, copper, cobalt, manganese and other minerals from African states such as Angola, Nigeria, Congo and South Africa; giving these countries high and immediate incomes, while on the other hand, China's exports to Africa have exceeded US$60 billion since 2011, demonstrating the growing purchasing power in Africa (Verhoeven, 2014). Several African regimes have been unable to manage or to complete political, economic and social reforms over the past two decades, many falling into armed conflict. However, these countries are not lost for the Chinese government, and continue to be investment destinations. In return for diplomatic support on the international stage, the PRC tends to bestow aid on receiving country governments more directly than Western donors. The Chinese finance grandiose infrastructure projects and prestigious buildings are rising in the local landscape. In contrast to that, Western countries and international institutions like the IMF and others are occupied with the reduction of poverty (Tull, 2006). Focusing on specific spheres, such as infrastructure and promoting investments in these fields as goodwill projects, Chinese investors attract the support of African state leaders. This enables China to gain political influence, opening doors to commercially or strategically more important business in other sectors, such as winning tenders and mining concessions (Tull, 2006).

Growing attention to China-Africa relations raises a question of what "Africa" means. An attempt to approach Africa as one single unit is the tendency to oversimplify. The relationship between China and "Africa" is not in the context of bilateral ties with the region as a whole, but a series of contacts and cooperation between China and 54 countries of the African continent. At the same time, there is a division for areas and groups of countries, which simplifies and improves the analysis of these relations. However, different researches see the common Chinese tendency to focus on the African continent as the target for various types of investments. Despite the instability in African countries and the need to build state bilateral relations separately, the continent itself is a huge energy source and alternative market for goods made in China.

Chinese investment in Africa is widely discussed nowadays. Unfortunately, despite the high interest in this topic, it is hard to find comprehensive and detailed reports on investments themselves and the procedures that are launched through Chinese involvement in different countries in the African continent. There are also a couple of other interesting points to mention. First, China invests in every possible sector, from agriculture to manufacturing, and from natural resources to the financial and banking sphere. Second, the People's Republic of China is trying to cover the entire continent with its FDI. The approaches and the amounts of Chinese involvement are different from country to country; however, there is almost no place on the African map where China has not attempted investment (Chen et al., 2015).

Having different interests and long and short-term goals, most of the countries in Africa are building their own relationships with China. The most successful Chinese-African cooperation is expressed in the volume of trade. The PRC, according to different data, is Africa's largest trade partner, providing demand for the continent's energy resources and minerals (Mungai, 2015). Different Western headlines, such as "China's ambitions in Africa" (Mountford, 2018) or "Weaponizing Capital: US worries over China's expanding role in Africa" (George and Lendon, 2018) and others, express concern about the intensive Chinese involvement in Africa through the growing volume of its investments. However, according to Chinese statistics, at the end of 2013, overseas direct investment in Africa was valued at a stock of US$26 billion. This number would amount to approximately 3 percent of total foreign direct investment on the African continent (Chen et al, 2015). According to the UNCTAD's (United Nations Conference of Trade and Development) World Investment Report 2015, "the flow of Chinese FDI to Africa during 2013-2014 was 4.4 percent of the total to the continent" (Chen et al, 2015).

In the article "Close Encounters: Chinese Business Networks as Industrial Catalysts in Sub-Saharan Africa," published in African Affairs (2003), Deborah Braeutigam claims that there is no enough attention on the growing role of Chinese investments in industrial development in Sub-Saharan Africa (Braeutigam, 2003). There are different theories dealing with the nature of these foreign direct investments coming from the PRC to African countries and their consequences in different spheres of African political, economic and environmental life. International institutions also criticize the intensity of Chinese presence (Braeutigam, 2015). However, there are also voices talking about positive influences of Chinese investment into Sub-Saharan Africa (Zafar, 2007). According to Zafar, China has, during the last decade, built a network of trade and investment links with close to 50 African countries. Development and building of new infrastructure projects in different fields of the African region is driven by the national need and search for resources (Ibid). The next sections will present a brief overview of the driving policy behind Chinese involvement in Sub-Saharan Africa.

Soft Power of Formalised Language and the Principle of Non-Interference

In modern political discourse, a formulation of "soft power", or even "sharp power", regarding China is used more often than 40 years ago. The full spectrum of changes on the international stage during the last four decades has brought deeper meaning to the "soft power" terminology. Language and formulations in political discourse could be directly connected to the soft power strategy. Despite the recent interest towards the power of words, the importance of political discourse and its concepts (提法) has a long-lasting history in the politics of the PRC (Schoenhals, 1992). According to Michael Schoenhals, since Confucius articulated it in his Analects, language as a form of power was always used in Chinese politics

(Ibid). Reviewing all the political texts connected to international relations and the China-African relationships in particular, a feeling of déjà vu could emerge. Official texts, statements, strategic papers and instructions repeatedly include the "five principles of the peaceful co-existence" and the "principle of non-interference". Despite the strongest connection to the Chinese political discourse, these principles have roots in world history.

The Peace of Westphalia (1648) brought a significant change in the perception of international relations, first in Europe and over the centuries, to the global community. Traces of the Westphalia approach to sovereignty can be found in constitutions, official bills worldwide and particularly in the "five principles". However, the importance of its implementation became especially critical during the 20th century with the creation of the international institutions. To all the member states, most of the principles of international customary law have been codified and applied to the members of the international community. The international law has been spread through the treaties and conventions confirmed by the countries to guarantee the execution and performance of law.

After the Westphalian peace, the principle of non-interference came back into discourse in different circumstances, creating a juristic custom, which is implemented nowadays in international law. It is important to mention that this principle was also actively used in the communists' rhetoric. In the East Asian relations, it was known as the Maoist principle, promoted by China within bilateral relations. The question of its implementation in the official Chinese discourse of the CCP could not rely only on the western interpretation of the principle. It is important to mention that the Western discourse has flooded into Chinese political thought over the past 150 years, raising contradictions of the Asian and Western political thoughts and putting a new milestone in their development. Towards the end of the 19th century and the beginning of the 20th century, some of the Chinese scholars such as Sun Yat-Sen studied in the US and Europe, bringing new ideas to the republican vision for a modern China (Kang, 2010). Also, during the 20th century universities based on the Western thought began to compete with the Confucian academies all over East Asia (Kang, 2010).

The expression "principles of peaceful co-existence" has been long used in the narrative of the communist leaders in the Soviet Union. Lenin, Stalin and other political players, reflecting a certain approach to a contradiction with the capitalist states, have repeatedly used these principles (Fifield, 1958). However, this Marxist ideology term, connected to the Russian Revolutionists, has been *per se* first found in the text of a treaty between India and the People's Republic of China on Tibet signed in Beijing on 29 April 1954 (UN Agreement No.4307, 1958). Chinese sources were relating the concept to the three prime-ministers Zhou Enlai of China, U Nu of Burma and Nehru of India (Fifield, 1958). The leaders believed that the principles would help "to destroy apprehension, create confidence, and establish security". In October 1954, the People's Republic of China and the Soviet Union signed a written declaration to preserve the five principles not only in relations with Asian countries but also with other states (Fifield, 1958).

Due to the Western dominance on the international stage, especially in the questions of territorial integrity and economic development, these principles are interpreted as universal. Nowadays Chinese officials certainly know how to implement western discourse to serve domestic interest. On the other hand, it is critical to check whether the western principles have penetrated into or confronted the Asian values. Whilst the global institutions are interested in implementation of the international norms in politics at the domestic level, it is worth considering how they are affecting the creation of new paradigms in political thought.

The People's Republic of China was not represented in the United Nations and the Security Council from 1949 till 1971 and could not accept the principles of Article 2 of the UN Charter that speaks about the sovereign rights of the member states and principle of non-interference (Charter of the UN, Article 2, 1945).China has decided to support the idea of bi-polar order and intends to support the Soviet bloc in its resistance to the "imperialists" (Zhang and Austin, 2013). Nevertheless, the need to cooperate with the international community to achieve legitimation on the global arena forced the CCP officials to ally with the international law discourse. In this sense, the paradigm of the "five principles" and the principle of "non-interference" fit the "western" language and norms.

Development of the Chinese discourse, which shows the CCP's attempt to be involved in international relations, could be seen in Zhou Enlai's speeches. In 1949, the Foreign Minister Zhou Enlai spoke about the priority of establishing "brotherly friendship" with the Soviet Union in order to oppose imperialists; however, at the first conference of Afro-Asian countries in Bandung in 1955, he called the nations to act according to the "five principles of peaceful co-existence" in order to support the newly-decolonised states (Zhang and Austin, 2013). A similar statement was made in the previous year within the UN Security Council. Despite the open confrontation with the UN committees' activities during this time, a sign of appeasement with the international customary law could be seen. To win the UN Security Council and to establish a consensus on its legitimation, the PRC began to embark on overseas aid programmes (Ibid). This could also be seen as an attempt to shift the global focus from the United States to a multipolar world (Kent, 2013), which would help China to gain influence and power.

The People's Republic of China was relatively isolated and had fewer diplomatic relations in the post 1949 era and till 1970. However, being highly interested in being involved in the foreign relations and to re-establish its prestige after the period of Western and Japanese imperialism, the PRC has tried to address international issues proactively (Bhattacharya, 2007). Moreover, competing Taiwan and its official representation of China in the UN has been provoking more action. The UN speech of Zhou Enlai has illustrated the complexity of Chinese needs; on one side to integrate into the international community and reach full recognition and legitimation, while on the other side, to release itself from the image of a victim (Ibid). From Deng's era onwards, the foreign policy character would already shift towards "great power" China and antagonism towards US hegemonism on the global stage, by entering the spheres where the US has been dominating (Ibid). Implementing Zhou's policy of the "five principles of peaceful coexistence" and especially a strategy of non-interventionist and non-ideological foreign policy, China has become an attractive partner for developing countries, including the Sub-Saharan African region.

Since the People's Republic of China exchange with Taiwan in the United Nations (1971), the international engagement of China has grown; however, till the beginning of 2000, it continued to be passive in the UN, lacking active participation in the institutional subsidiary bodies, rarely using its veto and rejecting to engage in the global economy (Zhang and Austin, 2013). During the recent years, China is taking a more active position and even proposing behaviour in Global governance (Liu, 2014).

Considering Chinese current affairs and performance on the international stage, Chinese regional hegemonic past should not be forgotten. Being a cultural, economic and diplomatic leader throughout the centuries, nowadays China needs to adapt itself to the Western values in order to lead an international dialogue and to impact international institutions (Liu, 2014), which however, might have its own interpretation. Looking from the perspective of the "need" it is reasonable to raise the question of China's intention nowadays. The "principle of non-interference" has passed the test of time and its formulation has stayed untouched through all turbulences. It is hard to build research based only on Chinese governmental statements. Implementation of such a principle should be analysed as well. However, some consequences of a strategy could be analysed based on the interpretation of the official policy. In the Chinese case, the formulations carry a poly-semantic message, which has a certain impact on strategy implementation.

Currently, China is actively participating in the global order and shows compliance with the international law. The trick is hiding in the interpretation of the slogans and so called *tifa* (提法), the concepts, used by the Chinese officials. *Tifa* might send a different type of message to different members of the public, a new paradigm for international relations. Speaking about the "non-interference principle", the appeal to the international community is to show China as an equal partner on the global stage and to the bilateral partners, in order to guarantee its rights to sovereignty and not interfere in the inner politics of a state. For the CCP members it means devotion to Mao's principles and communist tradition and also towards the domestic public – a sustainable strategy towards favourable international relations. Using *tifa* as a strategy and a tool of soft power leaves enough space for manoeuvre, both in political and economic aspects. In other words, investing into the Sub-Saharan region, China might not consider whether a local government is a compliant player on the international stage and is subject to international law. Leaving the issue under the "non-interference" principle, China acts according to its own interests.

Tifa as a tool of soft power is broadly used by modern Chinese politics. Formulations are used to affect certain feelings, thoughts or actions of the target audience. Mao Zedong was highly sensitive to *tifa*; and when the CCP is using a formulation in its official texts, it means that this certain expression is politically useful (Schoenhals, 1992). Language formalisation is hardly unique to Chinese politics, albeit its comprehensiveness and sustainably growing importance are extreme (Ibid). As a proof, the last Speech of the General Secretary of the Chinese Communist Party and the 7th President of the People's Republic of China, Xi Jinping, has much of such concepts, which carry a full range of meaning and its interpretations.[7]

China recognises the international law, even if it interprets the customary principles according to the national interests (Kent, 2013). Moreover, according to the former Chairman of the China International Law Society, Huan Xiang, China as a part of the third world has had an impact on international law significantly. One of the biggest contributions was the formulation of the "Five Principles of Peaceful Co-Existence" as fundamental principles of the global order (Ibid). Being viewed as the main Chinese contribution to the international law, the "five principles" were proposed by Jiang Zemin to become the new basis for international relations (Ibid). Speaking in the name of the Third World, China stays rather loyal to its own interests, advocating only those positions within the international institutions with which it agrees (Ibid). It could be concluded that Chinese foreign policy which is based on non-interference seeks to secure a comfortable environment in order to promote its national interests and growth. There is a successful attempt to reshape the international institutional order and to challenge the Western hegemony. It also creates an alternative future to the engaged parties, which cannot be ignored.

The importance of implementing the new formulations, *tifa,* into the domestic political discourse and spreading these ideas within the international sphere is a strong demonstration of the effectiveness of soft power. China has rooted into the global society the idea that the five principles are the Chinese contribution to the international law, albeit these principles are part of the customary law. Taking active part in aid and investment programmes, which have been beneficial to China, and being strongly involved in economical ecosystems of different regions of the world, the PRC has become an inseparable part of the multipolar world.

Just as Mao's era was defined by ideological formulations, Chinese politics under Xi Jinping is seeing resurgence in the use of overtly ideological concepts, sound bites and slogans, which have a strong message both of internal and external political strategies. The Belt and Road Initiative, which is full of *tifa*, is coming to bring a new global order. The language of the official text speaks about the legitimation of the initiative based on two pillars, the UN Charter and the "five principles of peaceful co-existence".[8] The goal of the initiative, according to the official Chinese statement, is to reach mutual benefits on the global market and to let governments perform their due functions.[9] It is interesting to see how Chinese political thought is sustainable and continually tries to create a world-wide recognised discourse, where China is leading also as a "normative" power. The difficulty of such a course was formulated by Mr. Robert Lighthizer, U.S. Trade Representative. He claims that in 2001, when China joined the WTO, it was agreed that it will be involved in Western style capitalism (the Economist, 19.7.2018). However, China has continued to lead its economic strategy based on state-subsidised enterprise (the Economist, 19.7.2018). This claim shows the importance of analysing the Chinese investment policy as a perception of state interests and business oriented behaviour of the PRC.

Looking through the decades of the PRC performance on the global market, China is searching to balance the Western hegemony, especially the American leadership in the global order. Contrary to the claim of Schoenhals that the power of words could be used to solve unspecified internal questions of a state, it could be seen that *tifa* has a broadened implementation in international policies. Acting as a unanimous entity, Chinese state-owned enterprises and entrepreneurs supported by the governmental initiatives and state's ideology are investing all over the globe, creating a supportive network for further expansion. The principle of "non-interference" allows the Chinese investors not to consider the consequences for the hosting country. The Chinese paradox is successful and displays a proportional mix of typical corporate behaviour and supportive state policies, which enables the Chinese investors to act as one entity within the international relations.

Regarding Sub-Saharan Africa, Beijing's stepping up of the engagement with the continent has been welcomed by most Africans (Taylor, 2010). The hypothesis that Chinese traders are flooding the African market with cheap Chinese goods is questionable. Various sources show that a major percentage of these products are shipped by African traders, rather than brought by the Chinese themselves (Taylor, 2010). While this aspect is certainly debatable, there can be little doubt that sizeable benefits of China's return will accrue to the state elite. In addition to the direct incomes coming from China purchasing natural African resources, there are positive aspects of Chinese credit lines and investments without social change conditions (Tull, 2006). African governments gratefully acknowledge Beijing's dogma of national sovereignty.

Moreover, Africa is mirroring Beijing's development trajectory. Worldwide, Africa is perceived as being rich in natural resources, particularly oil-products, which are highly useful for the growth and development of China. In addition to the search for new markets, Africa became an interesting source for energy and an alternative to already existing energy suppliers. By offering their African counterparts a mix of political and economic initiatives, the Chinese government is successfully driving home the message that increased Sino-African cooperation inevitably results in a "win-win situation" for both sides (Tull, 2006). China presents itself as an alternative to the West and a better choice for Africa. To support rapid economic growth, which also gives legitimation to the Communist Party, China has developed strategies of foreign investments to support supply needs (Taylor, 2010).

Chinese Investment Strategy with Business Perspective

Chinese outwards foreign direct investments enjoy strong support from the PRC and the foreign relations policies. However, it is equally important to look at the business principles being involved. This section introduces two possible business approaches to analyse Chinese investment activities in Sub-Saharan Africa.

The Uppsala Model

One of the important aspects of Chinese investments in Sub-Saharan Africa is the tendency of Chinese entrepreneurs to "unite forces" in achieving a specific investment goal. Due to the Chinese involvement in most of the economic sectors of the hosting countries, it could be expected that China is creating a supportive network in order to operate smoothly in a specific area, from the first negotiations on the governmental level until transfer of Chinese knowledge and labour into the targeted segment of economy. There is an assumption that China as a state together with its enterprises operates as a joint venture, with shared ownership, returns and risks. If this assumption is correct, China should also implement certain business theories in its investment strategy. From another point of view, if Chinese enterprises are operating within a certain consensus with the state, their business procedures might have some cultural features of the PRC.

One of the theories to be considered for analysis of the Chinese presence is the Uppsala Model of Johanson and Vahlne. The Uppsala model is the theory that explains a company's internationalisation process (Johanson and Vahle, 2009). However, it could serve in understanding the Chinese strategy in Sub-Saharan Africa. The main principles of this theory could assist in understanding whether the PRC's investment behaviour has "traditional" Chinese features or could be compared with western business patterns.

The observations contradicted the known ideas that in order to enter a foreign market, corporations choose the optimal mode based on risks, costs, market's characteristics, data and information on own resources (Johanson and Vahle, 2009). Johanson and Vahle especially strengthen the importance of the *insidership* in relevant networks for successful internationalisation, as well as *outsidership* in other cases (Ibid). In other words, corporate opportunities or challenges on the hosting market are becoming less a matter of local characteristics, and more of the network and relationship-specification. Speaking about the business culture, which is relationship-oriented, Chinese behaviour in the Sub-Saharan region is mostly based on previously created networks using the principles of "insidership". In other words, despite the variety of Chinese investors in different sectors, China as a joint venture explores new markets.

Johanson and Vahlne describe "learning by doing" as a key process within the investment procedure abroad. The investors correct their strategic behaviour based on collective experience of current activities abroad (Johanson and Vahle, 2009). Taking this into consideration, it can be suggested that in the Chinese case, the "learning by doing" model as well as investments' consequences are applied all over the potential investment destinations. Moreover, every new investment in the foreign market will be more advanced, based on previous experience and connected to the bigger strategy of regional and/or long-lasting investments. It leads to the conclusion that consequences could also become a pattern of investment culture.

Contra- Learning

Being defined by political science as an emerging market, China tends to increase the knowledge of possible beneficial foreign investments through different kinds of learning: learning technology, marketing and management of the hosting country and world-wide practice as well as trying to achieve competing skills (Lyles et al, 2014). One of the supporting instruments for entering the global investment market was the collaboration and interaction with foreign firms investing for more than 30 years in China. Researchers in the field of market economy claim that China has a culture of ambiguity tolerance, which allows corporations to be ready for unfamiliar environments and adopt a leapfrogging behaviour in the market (Ibid).

The China Africa Research Initiative (CARI) is researching the impact of Chinese presence on African agriculture (Makundi, 2017). Through the fieldwork of research groups allocated in different African countries, which consist of in-depth interviews, focus groups, discussions and field observations, CARI explores the overall impact of the adoption of Chinese farming technologies (Ibid). The process of technology adoption and implementation into a social system is determined by four main factors: (1) time; (2) characteristics of the innovations; (3) channels through which the innovations are communicated; and (4) social structures and norms of the society in which the innovation is being diffused (Ibid). Adapting these four milestones into the research of investments in other spheres could support the quality of the analysis. There is also a hypothesis of an existing attempt to connect Chinese pragmatism in foreign policy to the PRC's strive for global recognition, when African websites and Africa-oriented communications start penetrating Chinese interests (Obe, 2013). Obe is convinced that Chinese intentions behind direct investments into the African markets are to ensure materials and inputs for the Chinese manufacturing sector, and to underpin the Chinese outlook for the future (Ibid). Galbraight supports this point of view. Galbraight emphasises that China is aiming to build infrastructure and develop new resources in Africa (the International Economy, 2017). Moreover, Chan stresses the importance of crafting the Chinese FDI on a careful research basis alongside the Chinese sources, since the Chinese presence in Africa is strongly related to the Chinese communist party's policy (Ibid). It can be clearly seen that countries, behaving much like corporate companies, have an economical interest in international relations. Chinese foreign direct investments are an inseparable part of the national interest, despite usage of the business approaches. However, there should be elements of the international relations theories involved to explain the full spectrum of Chinese FDI strategy.

Chinese Investments in Sub-Saharan Africa

In this section, with the help of a few case study examples (Angola and Namibia), a short introduction will be presented regarding the Chinese involvement in the region. China imports numerous commodities from many African nations. Natural resources, including oil, play a central role in Chinese-African relations. Trying to divide the sources of energy world-wide, China ensures itself a stable supply of the necessary commodities, independent of the political and economic circumstances or changing conditions of the concrete supplier.

Angola

Among African partners, Angolan-Chinese ties are the strongest. A consortium of Angolan and Chinese companies presented in July 2015 a new refinery project called "Prince of Kinkakala" with US$14 billion of required investment in total. 60% of the share capital belongs to the Chinese group of companies and Angolan private sector company, International Global Services Sector (IGPM) (Macaohub, 9.7.2015). The new refinery will support Angolan oil production and solve the problem of having only one working refinery, built in 1955 that, according to IMF, is "very inefficient" (Ibid). In the current climate of falling oil prices and with the oil dependency of the Angolan economy, China makes technical support and development suggestions to Angola. Low energy prices force Angola to produce more, but the existing infrastructure is not ready to meet this need. Chinese investments into new refineries and other technological improvements are strengthening not only the ties between the sides but also the mutual dependence. The calculation tends to be beneficial for both countries. From one point of view, in a short-term perspective the oil prices are relatively low. The current inefficiency damages the Angolan economy and there is a growing need to be able to produce more. China enables this through supporting the needed infrastructure. This is the right moment to connect Angola closer to China. However, on the other hand, when the prices increase, Angola might have the ability to produce more with Chinese help. Due to the growing energy need, Angola will also increase its income by using new refineries and technologies now coming through Chinese investment. Through Chinese support, Angola could be more self-confident in negotiations with the US Government, the International Monetary Fund and the World Bank. However, it increases the Angolan dependency on China.

Namibia

Chinese-Namibian cooperation in mining, for example, is promising not only with regards to contribution to the local labour market, but also relating to resource support for Chinese economic growth. According to the former Namibian Minister for Trade and Industry, natural resources such as uranium, copper, gold and diamonds are the products that attract Chinese investors the most. At the same time, through Chinese cooperation in the development of this sector, Namibia gains Chinese expertise, capital and technology (Odada and Kakujaha-Matundu, 2008). Chinese involvement has also been seen in stone mineral processing, marble production and in the exploration for lead, zinc, copper and manganese. However, involvement in the Namibian raw materials market has not begun smoothly, due to tight control over Namibian mineral production through established distribution networks and long-term contracts (Jauch and Sakaria, 2009). Regardless of the challenges, China continues to invest in Namibian natural resources. As stated by Jauch and Sakaria, in 2009 the Bank of Namibia estimated the volume of Chinese FDI in the resources sector, specifically in mining, to be approximately 33% of the total value (Ibid).

Chinese oil and gas explorer Circle Oil Plc, through its subsidiary First African Oil Corporation and "China Shine", is involved in oil and gas exploration, production, development and supply. Acting through the purchase of share in Circle Oil's Namibia license, Chinese companies are also investing in the oil and gas sector (Jauch and Sakaria, 2009). Namibia still does not have its own oil refinery and is dependent on imports from South Africa and Cote d'Ivoire.[10] Chinese action can be expected towards this direction, especially based on the past behaviour in regards to refinery construction in other African countries. Through this short overview, a tendency to create dependency of the hosting market by Chinese investors could be seen. A combination of business operations directly at the governmental level and involvement in the key-market industries forces Angola and Namibia to agree to Chinese contracts. However, responsibility of the consequences cannot be put only and exclusively on Chinese shoulders. According to the principle of "non-interference", the local governments have to decide whether the Chinese investment patterns suit their national goals.

Conclusion

China has internal and external interests in the foreign direct investments policy. Internally, China strives to harmonise its market need for resources and achieve economic growth goals. Externally, China secures its place among the global leaders. China tries to create an image of a sustainable and responsible world leader by employing the tools of soft power and creating a new discourse in international relations by using paradigms based on international customary law, which do not cause contradiction within the western norms. The principle of "non-interference" as part of the five principles of peaceful co-existence is used as a legal base for the Chinese involvement on the continent and allows the PRC to leave the analyses of the consequences in the hands of the domestic African decision makers. This way, the PRC is challenging the global order by suggesting an alternative operational approach, which also includes norms and values based on Chinese interpretation of international relations. However, Chinese attitude has unique consequences. Due to its performance as an international enterprise, and not as a regular player in the international relations, and at the same time being devoted to the national interests as well as in investment strategy, the consequences do not include long-lasting consideration for a counterpart. However, there is no univocal conclusion, whether these consequences could be doubtlessly defined as negative or positive. Mapping Chinese investment in Sub-Saharan Africa, a déjà vu feeling could be provoked by repeating business models implemented in different African countries; however, a colonial flavour should not be mixed into this image. Chinese presence in the region deserves a whole new approach and consideration. It is definitely not a replication of the old Western patterns, but an attempt to establish a new investment paradigm, which could be hardly offending from the legal point of view and is going to challenge the accustomed order of international stage.

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Notes

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